



May 20, 2019

Shona Marshall
Public Service Commission
861 Silver Lake Blvd.
Cannon Building, Suite 100
Dover, Delaware 19904

**RE: In the Matter of Inspire Energy Holdings, LLC for A Certificate to Provide
Electric Supply Services within the State Of Delaware (Submitted April 10,
2019) - PSC Docket No. 19-0218**


Response to the Commission's April 24, 2019 Deficiency Letter

Dear Ms. Marshall,

Inspire Energy Holdings, LLC ("Inspire") received and reviewed the Delaware Public Service Commission's ("Commission") April 24, 2019 deficiency letter. The letter states that Inspire's April 10, 2019 application for certification to provide electricity supply services was incomplete and the Commission requested that Inspire file additional information. Attached is Inspire's response, wherein we supply the additional requested information or direct the Commission to separately filed amended exhibits. All of the supplemental information filed is verified by the included verification.

Please do not hesitate to contact me if you have any questions regarding Inspire's application.

Thank you,



Aaron Jacobs-Smith
Corporate Counsel
(831) 359-5444
ajacobs-smith@helloinspire.com

Section 2.2.2 -2.2.3 Authority to do Business

Delaware is Inspire's state of formation, as evidenced by the Delaware Certificate of Good Standing, attached as Exhibit 1 to Inspire's April 10, 2019 submission.

Section 2.2.16 Financial Information



Section 2.2.19 Retail Experience – Nature of the Business

The Commission requests “a brief description of the nature of the business the Company intends to provide in the state of Delaware.” In its April 10, 2019 submission, at exhibit 14, Inspire offered the following description:

Inspire plans to market to residential and small commercial customers online, at public events, at retail locations, and door-to-door. Additionally, Inspire may market using telemarketing and direct mail, but it does not have any immediate plans to do so. Inspire expects to use third party vendors, but cannot specify a particular vendor at this time.

Inspire supplements the above response with the following. Inspire intends to offer retail electricity supply backed by clean energy, as well as energy management devices and services. The electricity supply may be offered at a variable rate, fixed rate, or at a flat subscription price, that does not vary with usage. To provide clean energy to Delawareans, Inspire will purchase renewable energy credits to ensure all of our members' usage is matched with clean energy. Regarding energy management, Inspire offers a smart thermostat, and continues to build out tools to support its members in shifting and shedding electricity load.

Section 2.2.19 Retail Experience – Summary of Duties

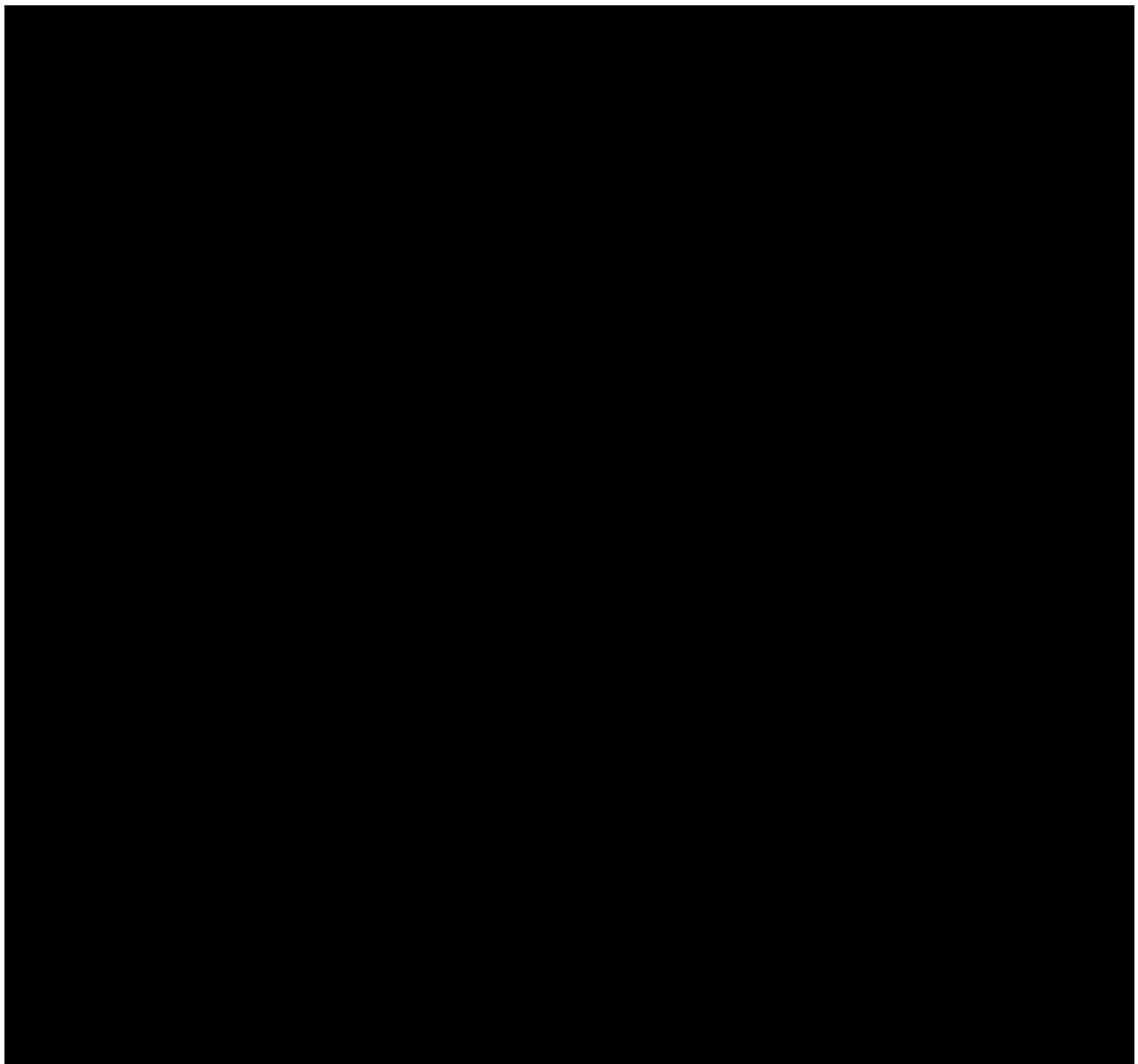
The Commission requests that Inspire provide a summary of the duties for each officer for whom a resume was provided. For clarity, Inspire has only one officer according to our articles of organization, Patrick Maloney, Chief Executive Officer. Inspire also provided resumes for Blake Lasuzzo, Chief Operating Officer, and Jason Sweedler, Senior Director of Operations (Mr. Sweedler received a promotion following Inspire's initial application submission) to offer further evidence of our operational expertise.

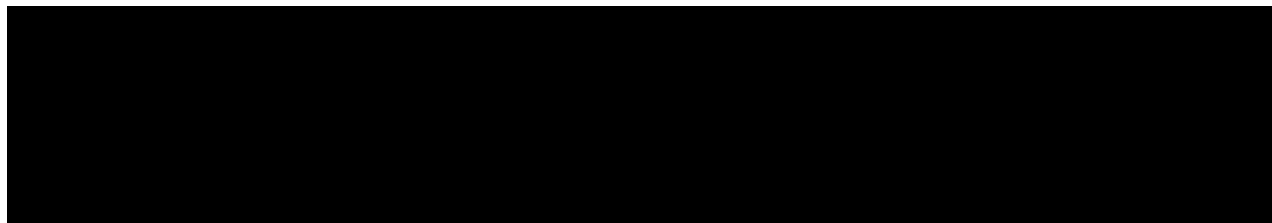
Mr. Maloney's duties include setting the overall vision and strategic direction for the business. Mr. Lasuzzo's duties include full portfolio oversight, which covers electricity procurement, portfolio risk

management, and account pricing. Mr. Sweedler's duties include all distribution utility communications and coordination, such as EDI transaction management.

Section 2.2.19 Retail Experience – Compliance Record

In response to the Commission's request, below is a table of the complaints filed against Inspire over the last three years. These are complaints submitted to either the state's utility commission or attorney general. This is the total number of complaints received, and does not account for the fact that many of the complaints were deemed invalid by Inspire or the regulator. As Inspire is a fast growing company, Inspire has additionally provided a complaint to customer count ratio to better contextualize complaint volume. Where "N/A" appears, Inspire was not licensed to market electricity in the subject market for the given year.





Inspire follows a robust complaint resolution process, beginning with a thorough investigation of any allegation. Where the allegation concerns a completed sales a sales quality team member will:

- Check the validity of the signature appearing on the sales contract.
- If a third-party-verification (TPV) is available (all door-to-door sales require a TPV call, and nearly all other in-person sales will be supported with an SMS TPV), confirm all questions were answered and there was no indication of coaching.
- If the sale was completed over the phone, review the call for any evidence of misunderstanding or improper sales tactics.
- Review the sales quality survey if one had been completed (within 24 hours of any sales, a sales quality survey is emailed to all new members).
- Check the customer contact information. This includes:
 - A reverse phone number lookup on Whitepages.com to see if the number is a landline associated with a specific individual matching the member's identity; and
 - A review of the email address where the team member first checks to see if it appears facially valid — i.e., a common first and last name combination, then the email address is entered into a search engine to see if the search results confirm it is associated with the subject customer, and finally there is a check to see if communications sent to the email were delivered and opened.
- Check the GPS records to confirm the sales representative was at the location of the sale. All agents conducting in-person sales use a sales tablet that tracks an agent's location.

After completing this review, the sales quality team member will reach a determination as to whether the sale was valid. If the sales is confirmed to be valid no action will be taken against the subject sales representative, but the case will be noted on the sales representative's record. If the sale is deemed invalid and Inspire is able to confirm it was the result of intentional slamming, the contract is immediately canceled, a refund for any charges that were incurred is issued, and the manager for the sales agent is notified that the agent can no longer represent Inspire. Finally, if the sale is deemed invalid but was not the result of intentional slamming, the contract is terminated, any charges are refunded, and the invalid sale is logged on the agent's record.

Where the complaint does not involve a sale, the nature of the review is greatly impacted by the particulars of the case. As an initial matter, the sales quality team makes a determination of the case type. Feedback that an individual does not want to be contacted — which results in placing that individual on a

do-not-knock list — is treated differently from an incident where someone alleges unprofessional behavior. If the case in any way involves a sales representative, Inspire makes every effort to identify the representative. When the feedback includes a description of the place and time of the incident, then Inspire is able to determine whether an Inspire representative was in the area, and identify the representative using the GPS tracking on the sales tablet. Once a representative is identified, then the incident is logged in the representative's record. Next, if the complaint involves allegations of misconduct, the sales quality team will investigate to see if the allegations can be verified. Where serious misconduct is alleged, Inspire will reach out to the complainant — if contact information is provided — and to the representative to gather additional information. Ultimately, if the allegation involves a violation of Inspire policy or state regulation, the sales quality team will note whether the allegation was verified. Where Inspire verifies that a sales representative has violated a critical Inspire standard or state regulation, the representative is terminated. Sales representative standards violations that will result in termination include a failure to clearly identify oneself as an Inspire representation, failing to make clear that one is unaffiliated with the local utility, engaging in aggressive or inappropriate conduct, promising savings, and enrolling an account without proper authorization.

In cases where there is no confirmed violation, but the representative has received multiple allegations of misconduct, a variety of responses may be appropriate. Depending on the severity of the allegations, Inspire may contact the representative's manager to issue a warning, require retraining, or pull the representative from the field during the retraining. If a pattern emerges of possible misconduct, Inspire may terminate the representative.

Regardless of the results of Inspire's internal investigation, Inspire will seek to resolve the complainant's concerns. Typically, where the complaint concerns the rate charged, Inspire will offer a refund of any amount charged over the utility's price-to-compare for a period of at least three months of service. Where a complainant alleges that he or she did not intend to switch electricity supply service to Inspire, regardless of whether Inspire has determined the complaint is valid, Inspire will offer a full refund of all supply charges for some portion of the member's term. If Inspire finds the complaint is valid, Inspire will refund all supply charges for the entire length of time the member was an Inspire customer.

Section 2.6 Public Notice

Inspire ordered publication from three Delaware newspapers. We received confirmation from the Delaware State News that our notice will be published on May 17, 2019. Inspire will file a notice when we affidavits of publications for all three newspapers. We expect to have such affidavit by May 24, 2019.

Section 2.2.13 Marketing Plans and Materials

In response to the Commission's request that all of Exhibit 14 be filed confidentially, Inspire has publicly refiled the contents of that exhibit as Exhibit 14 AMENDED, with no information redacted.

Section 2.1.6 Verification of Application

Attached hereto is a sworn verification attesting to contents of the additional materials provided herein, or attached hereto, as well as the previously filed exhibits entitled, "Ex 10 AMENDED IL MA MD NJ NY OH PA_ver_1.pdf" and "Ex 2 AMENDED Permanent Delaware Business License_ver_1.pdf."

Sections 6.0, 7.0, 8.0 Contracts

Inspire made all requested changes to the customer contracts. Updated contracts are attached as Exhibit 16 AMENDED.

Attachment B

Attestation of Submission of Confidential, Proprietary, and Privileged Material Per 26 Del. Admin. C. § 1001-1.11

I, Patrick Maloney, CEO of Inspire Energy Holdings, LLC, do hereby attest, under penalty of perjury, that the above response under **Section 2.2.16 Financial Information** and the above table under **Section 2.2.19 Retail Experience – Compliance Record** are 1) not a “public record” as defined by 29 Del. C. § 10002(l) because they contain confidential financial information and/or “[t]rade secrets and commercial or financial information obtained from a person which is of a privileged or confidential nature”; and 2) is not subject to inspection by either the public or by other parties unless an appropriate proprietary agreement is executed.

As such, I request that the Delaware Public Service Commission accord confidential treatment to the response under **Section 2.2.16 Financial Information** and the table under **Section 2.2.19 Retail Experience – Compliance Record** in accordance with 26 Del. Admin. C. § 1001-1.11.

In compliance with 26 Del. Admin. C. § 1001-1.11.3, I have submitted, attached to this Attestation, for filing a copy of the document described above without the confidential information, with an indication that the claimed confidential information has been deleted.

Execution Date: 05/20/2019

Patrick Maloney

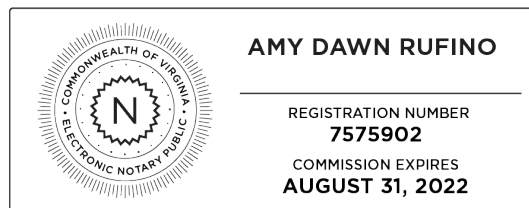
Patrick Maloney, CEO

STATE: VIRGINIA
COUNTY: Fairfax

Sworn to and subscribed before me on 05/20/2019 by Patrick Maloney

Amy Dawn Rufino

NOTARY NAME: Amy Dawn Rufino



My commission expires: 08/31/2022
Notarized online using audio-video communication

Attachment A

VERIFICATION

STATE OF California)

) SS

COUNTY OF Los Angeles)

On this 20 day of May, 2019, personally came before me, the subscriber, a Notary Public in and for the state and county aforesaid, **Patrick Maloney** as the **CEO of Inspire Energy Holdings, LLC**, known to me personally to be such or having presented to me satisfactory evidence of identity, and acknowledged this document to be his act and deed and the act and deed of such **Limited Liability Company**, that the signature of such individual is in his own proper handwriting, and that the facts set forth in this application are true and correct to the best of his knowledge, information, and belief.

Patrick Maloney

Signature of individual

Printed Name: Patrick Maloney

Commonwealth of Virginia County of Fairfax

SIGNED AND SWORN (OR AFFIRMED) before me on this 20 day of May, 2019, by Patrick Maloney (name of individual who signed above).

Amy Dawn Rufino

SEAL

Signature of Notarial Officer

Electronic Notary Public

Title (e.g., Notary Public)



AMY DAWN RUFINO

REGISTRATION NUMBER
7575902

COMMISSION EXPIRES
AUGUST 31, 2022

Notarized online using audio-video communication

My Commission Expires: August 31, 2022